

Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: RICHARD DOYLE
City Attorney

SUBJECT: Salary Setting Commission –
Recommendations - Ordinance

DATE: May 16, 2007

SUPPLEMENTAL

BACKGROUND

On April 30, 2007, the Salary Setting Commission approved its biennial report and recommendations on the salaries for the Mayor and City Council as provided by City Charter Section 407. In addition, the Commission also made recommendations on other compensation such as benefits and the car allowance. At the May 22, 2007 Council meeting, the Council is scheduled to consider the report and the approval of an ordinance, if the recommendations are to be implemented. This memorandum will discuss the options which are available to the Council with regard to the Commission's recommendations.

DISCUSSION

The salary and other compensation recommendations of the Salary Setting Commission, if approved by the Council, are implemented by ordinance. We have drafted the attached ordinance in accordance with the Commission's report to enable implementation if the Council approves the recommendations.

A. Salary Increase Recommendation for the Mayor and City Council

Pursuant to the Charter, the City Council may adopt the salaries recommended by the Commission or a lesser amount. The salaries cannot exceed the recommendation. The salaries of all the Councilmembers must be the same. The Mayor's salary may exceed the amounts for the Councilmembers.

The salaries which are adopted by the Council remain in effect unless and until amended by a subsequent ordinance adopted in accordance with the Charter requirements.

No more than one salary setting ordinance can be adopted on the basis of any biennial recommendation of the Commission. However, the Council can, at any time, by ordinance, reduce the salaries of the Council, including the Mayor.

B. Deductions for Failure to Attend Council Meetings

The Charter also provides that the Salary Setting Commission establish an amount to be deducted from the salary of the Councilmembers, except for the Mayor, for failure to attend regular Council meetings. No deductions can be made for failure to attend Council meetings for authorized City business, illness of the Councilmember or the illness or death of a close family member.

The Commission recommended that the sum of \$250 previously established by the Commission be continued to be deducted for absences. The \$250 sum cannot be changed by the Council.

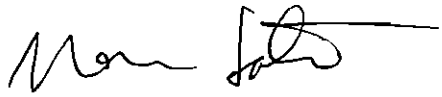
C. Recommendation for Medical, Dental and Life Insurance Benefits and Car Allowance

The Commission is also making recommendations on medical, dental and life insurance benefits, and the car allowance. The Charter does not require nor preclude the Commission from making these recommendations and Council may but is not required to include them in the adoption of the ordinance. Adoption of the ordinance would repeal Resolution No. 59263 adopted June 24, 1986 which authorized, in part, the \$350 per month reimbursement for car expenses for Members of the Council and unrepresented managers appointed by the City Manager who elect not to drive a City-owned or City-furnished vehicle.

CONCLUSION

Traditionally, the City Council has adopted an ordinance setting the salaries at the Council meeting when the Commission's recommendations are discussed. Therefore, to adopt these recommendations, a motion to approve the ordinance implementing the Commission salary and other compensation recommendations is needed.

RICHARD DOYLE
City Attorney

By 

NORMAN K. SATO
Chief Deputy City Attorney

Attachment

cc: Salary Setting Commission
Les White
Lee Price

ORDINANCE NO _____

**AN ORDINANCE OF THE COUNCIL OF THE CITY OF
SAN JOSE ADOPTING SALARIES, PURSUANT TO
CITY CHARTER SECTION 407, AND OTHER
COMPENSATION FOR THE MAYOR AND
COUNCILMEMBERS RECOMMENDED BY THE
COUNCIL SALARY SETTING COMMISSION**

WHEREAS, the Council Salary Setting Commission, in accordance with Section 407 of the Charter of the City of San Jose, has made its recommendation regarding the amount of salary which it deemed appropriate for Members of the Council, including the Mayor;

WHEREAS, the Council Salary Setting Commission is not required nor precluded by Section 407 of the Charter of the City of San Jose from making recommendations regarding other compensation which it deems appropriate for Members of the Council, including the Mayor; and

WHEREAS, the City Council has reviewed and considered the recommendation of the Commission;

NOW THEREFORE, BE IT ORDAINED by the Council of the City of San Jose:

SECTION 1. The City Council of the City of San Jose, pursuant to Section 407 of the City Charter, hereby adopts the salaries recommended by the Council Salary Setting Commission to compensate each member of the City Council, including the Mayor, for services by said members for the periods commencing as follows:

For the Mayor, an increase of the annual salary from \$105,000 to \$115,000 for the period of July 1, 2007 through June 30, 2008 and an increase for the period of July 1, 2008 through June 30, 2009 to a salary of \$127,000.

For each City Councilmember, an increase of the annual salary from \$75,000 to \$82,500 for the period of July 1, 2007 through June 30, 2008 and an increase for the period of July 1, 2008 through June 30, 2009 to a salary of \$90,000.

The sum of \$250.00 shall be deducted from the salary of each member of the Council, except the Mayor, for each regular meeting of the City Council other than an adjourned regular meeting, which a Councilmember fails to attend in each calendar month, provided such deduction shall not be made for failure to attend any meeting during which a Councilmember is away on authorized City business, or from which he or she is absent because of his or her own illness or the illness or death of a close family member.

SECTION 2. The City Council of the City of San Jose hereby adopts other compensation recommended by the Council Salary Setting Commission:

For the Mayor and each City Councilmember, medical, dental and insurance benefits received by Management Unit 99 employees and contribution to CalPERS or PTC 457 through June 30, 2009.

For the Mayor and each City Councilmember, an automobile allowance of \$600.00 a month through June 30, 2009.

SECTION 3. The City Council of the City of San Jose hereby repeals Resolution No. 59263 adopted June 24, 1986 which authorized, in part, the \$350 per month reimbursement for car expenses for Members of the Council and unrepresented managers appointed by the City Manager who elect not to drive a City owned or City furnished vehicle.

SECTION 4. EFFECTIVE DATE.

The salaries adopted by this ordinance shall commence as set forth in Section 1 above and shall remain in effect until amended by a subsequent ordinance adopted pursuant to the provisions of Section 407 of the City Charter.

PASSED FOR PUBLICATION of title this _____ day of _____, 2007, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

VACANT:

CHUCK REED
Mayor

ATTEST:

LEE PRICE, CMC
City Clerk